

PROTECTION OF TRADEMARK: SAFEGUARD AGAINST REGISTERED AND SIMILAR TRADEMARKS

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Introduction

A trademark is a symbol, word, phrase, design, sound, colour, smell, slogan, or combination of these things that identify the source of your goods and services and distinguishes them from goods and services of other companies. The main objective of the trademark is to give the legal protection and exclusive rights of the trademark.

The Trademark Act, 1999 (“referred as “*the Act, 1999*”) defines Trademark under section 2(zb) which means “a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include the shape of goods, their packaging, and combination of colours”¹.

Nowadays, the trademark has become a mandatory factor for the well-reputed companies because the trademark differed its product from others and gives a brand value to their product as an intangible asset for the company. A registered trademark grants protection your goodwill and reputation and also prevents the passing off of goods and prevents consumers from deception. It creates a legal presumption of the owner of the mark and grants entire rights to use the mark by him.

Once a trademark is registered under The Act, 1999 then it will secure for 10 years from the day it has been granted and on a renewal basis, it will get secured for the other 10 years. A trademark registration, therefore, can last forever as long as you renew it timely.

In the case of **Sumant Prasad v. Sheojanam Prasad**² It was held that the trademark is a mark, used with goods to indicate the relation between goods/services and the person (proprietor) having legal rights to use that mark. The purpose of the trademark is to give a clue to the purchaser or potential purchaser about the quality or manufacturing of the goods or to show from where the goods proceed, or viva which enterprises the product launched in the market.

¹ Section-2(zb), Trademark Act,1999

² AIR 1972 SCC 2488

History of Trademark

In India "The Trademark Act, 1940" was the first ordinance to govern the Trademarks and previously trademarks were governed by customs and judicial precedents. The Trademark Act, 1940 was totally based on England trademark Act, 1938. Due to the massive increase in trade and commerce, India passed The Trademark Act, 1940. This act introduces a machinery system for registration and legal protection to trademarks. After the Act of 1940, the new act was enacted and The Trademark Act, 1940 get repealed by Trade and merchandise Act, 1958 and this act provides safeguards and prohibit another person to use the same mark, prevent fraud in trademark cases. In, the year 1999 Trade and Merchandise Act, 1958 was get repealed as of The Trademark Act, 1999 based on World Trade Organization and follows the TRIPS Agreement. The Trademark Act, 1999 came into force from 15th September 2003³.

International Treaties Governing Trademarks Act, 1999 - The Trademark Act, 1999 is the current governing law in India for trademarks is in coherence with the provision of TRIPS agreement.

TRIPS (Trade-Related of Intellectual Property Rights) with the obey of TRIPS agreement The Trademark Act, 1999 brought the following changes⁴-

- Compiles with the obligation under the TRIPS agreement.
- Increase the term of validity of registration from 7 years to 10 years
- Constitute the IPAB (intellectual property appellate board)
- Expand the definition of the mark under section-2(m) of the Act, 1999 which includes shape, packaging, a combination of colours and any combination.

Paris Convention, 1967-India became a member of this Convention in 1998. This convention is for industrial property protection and states that each state must allow the same protection to other contracting nationals as they allow to its own nationals⁵.

³ Dr. BL Wadehra, 2020. Law Relating To Intellectual Property. 5th ed. p.129

⁴http://www.ipindia.nic.in/writereaddata/Portal/IPOAct/1_107_1_new-elements-in-the-trademarks-act-1999act.pdf last accessed on 1-oct-2020

⁵ Dr. BL Wadehra, 2020. Law Relating To Intellectual Property. 5th ed. p.131

Madrid Agreement, 1891-A state which is the part of the Paris Convention may automatically become the member of Madrid Agreement, this agreement allows to registering the trademark on the international level by filing an application with national trademark region.

Perks of Trademark Registration

- **Absolute rights**-Once the trademark gets registered under the act of 1999, the proprietor may enjoy the absolutely rights above the trademark. The owner of the trademark can sue another person if found using his in an unauthorized manner.
- **Distinguish the products**-The registration of the mark gives an identity card to your goods and services, and differ them from other competitors. The mark gives quality to your products and gives brand value to your company.
- **Gives goodwill**-If the mark is registered than the mark helps in creating permanent customers those who opt the same brand. Goodwill is like an intangible asset, which may increase the value of your company and can sell the trademark at best price.
For example-“Reliance Industry Pvt. Ltd”.
- **Protection for ten years**-After the registration of the mark, the mark is protected for ten years and can renew the term for another ten years by paying the bearable fees.
- **Protection from violation** -Once the trademark is registered then no other person can use the mark. However, if anyone found doing so without any authorization than the owner can sue the person and can claim damages from him if any.
- **Worldwide registration**-If anyone wants to register hi trademark outside India, then through this act the owner can register his trademark outside of India and can enjoy the goodwill all over the world.

Procedure of registration

Application for the registration- Any person who claims to be a proprietor (owner) of a trademark and the mark is used by him and wants to register the mark, then the proprietor shall apply for the registration of the trademark in prescribed manner to the registrar. Here the term ‘any person’ includes any company, body of individuals or associations⁶.

For the registration of trademark a single application will be filled. Every application shall be filled in the office of the trademark registry within the territorial limits where the applicant is

⁶ Section-18 (1), The Trademark Act, 1999(2020)

having the business, in case of joint applicants than the applicant whose name is mentioned first in the application. However, if the applicant doesn't have any business then the application for the registry of the trademark shall be filed within the territorial limits of the place mentioned in the application.

The registrar may accept the application or refuse to accept the application and may ask the applicant for the modifications, amendments and any other conditions and limitations and as the registrar may deem to be fit. In case of refusal or conditional acceptance of the application, the registrar shall disclose all the grounds in writing on which the application gets accepted or refused.

Withdrawal of acceptance-When the application is accepted in some error. In that case, the trademark should not be registered or if the trademark gets registered than, there should be some limitations and conditions, and if the limitation and condition are different from those conditions on which application has been accepted then the registrar after hearing the applicant withdraw the acceptance and proceed as the has not been accepted⁷.

Advertisement of application- When the application for the trademark has been accepted in absolute or conditional limitations, the registrar advertises the application in the prescribed manner to check if the application of trademark is related with section 9 (1) and section 11 (1) (2). The purpose of the advertisement is to give an opportunity to the public, to oppose the registration of the trademark⁸.

If any objection was raised, then after correcting and amending the application in the prescribed manner, than the registrar may re-advertise the application.

Opposition to registration- Any person having objection from registration of trademark then, within four months from advertising or re-advertising, then he may give notice to registrar in prescribed manner with the payment of fee⁹.

After the application made by the opposition, the registrar shall serve the application to the applicant and within two months the applicant has to send counter-statement to the registrar¹⁰.

⁷ Section-19, The Trademark Act,1999(2020)

⁸ Section-20, The Trademark Act,1999(2020)

⁹ Section 21(1), The Trademark Act,1999(2020)

¹⁰ Section 21(2), The Trademark Act,1999(2020)

The registrar shall, after hearing both the parties and considering the evidence, decide whether the registration is to be permitted or may take the grounds of objection raised by the opponent.

Registration of trademark- When an application for registration of trademark has been accepted and neither any opposition oppose the application at the time of advertisement, nor opposition opposed and later decided in favour of the applicant. The registrar shall register the trademark unless the central government may direct.

After the trademark gets registered, the registrar shall issue the certificate to the applicant with the seal of trademark registry. The registrar may amend the certificate if found any obvious mistake.

If the registration of the trademark is not accomplished within twelve months from the date of the application, the registrar may after giving notice to the applicant in the given manner and treat the application as rejected until or unless the trademark gets registered.¹¹

However, the Act, 1999 does not specify any prescribed grounds for the registration of the trademark, but if the trademark falls under any condition of section 9 or section 11(1)(2)(3) of The Act, 1999 then the registration of trademark gets cancelled.

When registration of trademark gets refused to register?

Registration of trademark get refused to registered when the mark is in conflict with another mark or having lack of distinctiveness, and having similarity with other mark which may led to monetary loss to the another person then, the registration gets refusal in two ways that are-

- Absolute ground of refusal as described under section-9 of the Act, 1999 and,
- Relative grounds of refusal as described under section-11 of the Act, 1999.

As section 9 and section 11 of the Act, 1999 both lay about the “confusion” but there is a slight difference as section- 9 talks about the confusion with the trademark itself only for example- if a mark is applied for a “Burger” and a description of the trademark is related to “Pizza” then this creates confusion and will be refused on ground of deceiving the public or cause confusion and,

Section-11 talks about the confusion of trademark with another one for example- a trademark of “MCDONALDS” is “M” written in white colour in red background and some other person

¹¹ Section-23, The Trademark Act, 1999 (2020)

create the same mark “M” with red colour in the background, then there will be confusion between both the mark and the later mark will get refuse to registered as it creates confusion between both marks.

Absolute Ground for Refusal of Registration- According to **Section-9** of the Act, 1999 lays down that -

(1) The absolute ground for refusal of trademark registration is for public policy. The intention of the legislation behind this section is to protect the legal rights of a person or owner who is actually or bonafide user of the symbol, mark, logo, etc. which they have acquired for their business purpose. The following certain grounds on which the trademark shall not be registered¹².

- Such trademarks lack any distinctive character or mark which is not capable to distinguish between goods or services of one person to another person.
- Any trademark which contains value, quality, and geographical origin about the products or any other quality of goods.
- The trademarks which contain “marks or indications which have become customary in the current language or the bonafide and established practices of the trade shall not be registered”¹³.

Imperial Tobacco Company of India Ltd v. Registrar of Trademarks¹⁴ in this case, Imperial Tobacco Company filled application for trademark name as "SIMLA" for their product tobacco but the registrar rejects the mark as the mark doesn't have any distinctiveness. Appeal was laid down before the high court of Calcutta then court upholds that the decision of the Registrar and his finding that the appellant's mark had not become distinctive and SHIMLA is a well-known hill station in India and registration of geographical name is not allowed until or unless mark prove the distinctiveness

(2) A mark shall not be registered as a trademark if-

The mark cannot be registered if-

- The mark confuses or misguide the public.
- The mark is likely to hurt the religious sensitivities of any class or section;

¹² Section9(1), The Trademark Act, 1999 (2020)

¹³ Section-9(1) (c), The Trademark Act, 1999 (2020)

¹⁴ AIR 1968 Cal 582

- The Emblems and Names (Prevention of Improper Use) Act, 1950 prohibits its use;

In case, **Lal Babu Priyadarshi v. Amritpal Singh**¹⁵, Lal Babu Priyadarshi applied for trademark “RAMAYAN” with the crown image. Respondent Amritpal Singh opposed but registrar dismissed the opponent application and registered the trademark. In the appeal to “Intellectual Property Appellate Board” by Amritpal Singh, IPAB set aside the registrar order. After that Lal Babu Priyadarshi goes to Supreme Court by the provision of special leave petition and the court held that challenging mark did not have any “distinctive character” as it was being used by more than twenty traders and name of the holy books like Bible, Quran, Ramayana, Guru Granth Sahib ,etc. cannot be registered as a trademark.

(3) A mark shall not be registered as a trademark if it consists exclusively of-

- Contains the shape of goods obtains from the nature.
- The shape which gives appreciable values to goods.

Provided that if before the date of registration, the mark is well-known and the mark has acquired distinctiveness by the result of its use then the application registration of the trademark shall not be refused.

In case of **M/s Hindustan Development Corporation Ltd. v. The Deputy Registrar of Trademarks**¹⁶ the question was arise that the word “RASOI” can be used as a trademark for the “Hydrogenated Groundnut Oil” produced by the appellant? In this case court held that the word “RASOI” cannot be registered as trademark for oil because such marks indicate the nature of the product. As according to section-9(1) (b) of the Act, 1999 the mark shall not be registered if mark indicates about the characteristics of goods and services.

Relative Grounds for Refusal of Registration-According to **Section-11** of the Act, 1999 lays down that-

- (1) If a mark cause confusion to the public including the association with a previous trademark by the dignity of its identification with the prior trademark and the similarity of goods or services, then the mark shall not be registered as a trademark.

¹⁵ (2015)16SCC795

¹⁶ AIR 1955 Cal 519

- (2) If a prior trademark is well known and the later mark is likely to take unfair advantage from the prior mark and likely to cause harm to its reputation then, the mark shall not be registered.
- (3) If any trademark is prohibited under any other law then also the trademark shall not be registered.
- (4) However, if the owner of an earlier trademark gives the consent to the later trademark to register the trademark then the registrar may register the application for grant of the trademark.
- (5) On above ground registration of trademark shall not be refused until or unless any objection is raised by the proprietor of prior trademark or issue raised in opposition proceeding which the process of registration is going on.

In case of **Amritdhara Pharmacy vs. Satyadeo Gupta**¹⁷, the respondent had applied for the registration of name “LAXMANDHARA” for the trademark of the medical product, and the respondent product was mainly sold in Uttar Pradesh since 1923. The appellant opposed this trademark as this mark (“LAXMANDHARA”) is exclusively similar with the appellant trademark “AMITDHARA” which is also used for medical product and has acquired well reputation since 1903 and respondent name was likely to deceive and cause confusion.

Registrar of the trademark held that the mark is to cause confusion and is a likelihood to deceive public, but the registrar allows the registration of mark LAXMANDHARA in state of Uttar Pradesh only.

The appeal goes to the high court of Allahabad and the court rejects the appeal of the appellant and allows the respondent to register his mark “LAXMANDHARA”.

The appellant goes to Supreme Court via special leave petition and the court held that the marks are similar and thus overruled the judgement of Allahabad high court. The court ruled that the comparison between the two names may disclose some difference but a buyer who is unaware and average intelligent would get in confusion or get deceived by the similarity of two names and the trademark is a whole thing and should be considered as a whole.

¹⁷ AIR 1963 SC 449

In case of **M/s Nandhini Deluxe v M/s Karnataka Co-operative Milk Producers Federation Ltd**¹⁸ Karnataka Co-operative Milk Producers Federation Ltd (KMPFL) had been manufacturing milk since 1985 and also had obtained registration of its mark “NANDINI”. M/s nandhini deluxe had been in a business of restaurant since 1989 and had a trademark name “NANDHINI”.

KMPFL oppose the registration of trademark “NANDHINI” but Deputy Registrar of Trademark allow M/s nandhini to register its trademark as “NANDHINI” but asked to remove milk products form the specification of goods.

When appeal filed against the decision of registrar by KMPFL in IPAB, then IPAB set aside the decision of Deputy Registrar of Trademark.

M/s Nandhini Deluxe filed appeal in High Court then court upheld the decision of IPAB and said the trademark of KMPFL had obtained distinctiveness and is well-known.

When appeal goes to the Supreme Court then court held that the trademark was obtained by KMPFL in 1985 and M/s nandhini deluxe obtained trademark in 1989. There was no evidence to show that the KMPFL has obtained the distinctiveness within four years of its obtaining the mark. Thus, the Supreme Court overruled the order of High Court and IPAB and allows the registration of M/s Nandhini Deluxe trademark as “NANDHINI” but excludes the milk products from its goods.

Sub clause (6) to (9) of Section 11 of The Trademark Act, 1999

Sub clause (6) determine whether trademark is a well-known and other facts which determine the trademark as the well-known mark which includes that-

- The trademark is in knowledge of the relevant section of public includes knowledge in India,
- The promotion of trademark at any geographical region, which includes advertisement, presentation of trademark at exhibitions and fairs of products and services,
- Geographical area and duration where the trademark is registered and gets recognition,
- The record of successful implementation of trademark, which shows that the trademark has been recognized as the well-known trademark by any court or registrar under that record.

¹⁸ (2018)9SCC183

Sub clause (7) while checking the trademark is well-known or recognised in relevant section public of sub section (6), the registrar shall check the number of the genuine or possible consumer of goods and services, the number of persons involved in the medium of distribution of goods and services and the business circle trading with goods and services including the trademark. Sub clause (8) says when any court or registrar consider mark and the mark is well-known in any one section of the public in India then, the mark shall be considered as the well-known trademark for registration under this act.

Sub clause (9) says that the registrar shall not require any condition for deciding whether the trademark is well-known mark, any of the following-

- That the trademark has been used in India,
- That the mark has been registered ,
- That the application for the registration has been filed in India.
- That the trademark is well-known or has been registered or application of registration has been filed in any jurisdiction other than India or,
- That the trademark is well-known to the public at wide ranging in India.

If we see that bot sub clause (6) and (9) are somehow contradictory, but sub clause (6) says to determine the well-known trademark after the registration and sub clause (9) talks about how to determine that trademark is well-known or not before the registration of trademark. Sub clause (10) talks about the protection of well-known trademark from the matching marks and to check bad intention of applicant or opponent which affects right related to trademark.

Sub clause (11) says where the trademark is registered under the good faith and disclosing all subject matter to the registrar or from where the legal right of the trademark has been acquired in good faith before the commencement of this act, then, nothing in this act shall prejudice the validity of trademark or right to use the mark when such trademark is well-known.

In the case of **Rolex SA vs. Alex Jewellery Pvt. Ltd. and Ors.**¹⁹ Plaintiff filed case against the defendant who deals in jewellery and using trademark as “ROLEX”. In this court held that the trademark of the plaintiff is a well-known mark and the advertising is done in India since 1947 and “ROLEX” trademark is in relation to watches from last many years. The defendant using the same name for his jewellery products which may cause confusion in the public and

¹⁹ 2009 (41)PTC 284 (Del)

might they think that the product are from same company. Hence court refuses the registration of the trademark for the defendant as “ROLEX”.

Conclusion

Nowadays it is very important to register a trademark and get examine of the trademark under section 9 and 11 of The Act, 1999 to avoid the obstacles at the time of registration. From the above discussion, it is concluded that the mark should obtain “distinctiveness” and “distinctive character” for use as a trademark, through the distinctiveness so that, a person can differ the goods and services from another.

If mark fulfil all the needs then mark gets protected for ten years from the date mark get registered and renew for other ten years after paying the fee and fulfil all needs again.

Section 9 and 11 gives protection to the registered trademark as well as protection to the well-known trademark if the mark isn't registered under The Act, 1999. The registration of the well-known mark is very important for the enterprises because the trademark is an intangible asset, which gives value to the enterprises. If any mark deceives the public or cause confusion in public then the mark gets refused to register under this act and later mark also get refused to register if later mark is contradicting with the previous mark.

Any person doing business should register his mark under this act to protect his legal rights and this act gives absolute rights to manufacture, enterprises to secure their brands and exclude them from all of the others to get monetary benefits.